

IN-SITE

A publication of the New Motor Vehicle Board

January 2000

Edition 00:1

2000

MILLENNIUM EDITION



1000 brought:

- ♦ invention of gunpowder by the Chinese (1000)
- ♦ Leif Ericsson's voyage to the Americas, possibly the state of Virginia (1000)
- ♦ and, in the year 1000, by an interesting coincidence, Sridhara, an Indian mathematician, recognized the importance of the number zero (thus ultimately unleashing the infamous Y2K bug)



1500+ brought:

- ♦ Copernicus theorized that the sun, not the earth, was the center of the universe, which Galileo later proved with his telescope (1543)
- ♦ first flushing toilet (1596, but did not become popular until the 1900's)
- ♦ smallpox vaccine (1796)
- ♦ invention of the refrigerator, elevator, sewing machine, photography and the telephone (1800's)
- ♦ Coca-Cola (1886)



1900+ brought:

- ♦ the horseless carriage, the beginning of the "automobile" - a word coined by the New York Times - and why the New Motor Vehicle Board exists today (1900)
- ♦ Einstein's theory of relativity (1905)
- ♦ television, rock & roll and space travel (1920-1960, don't they all kind of go together?)
- ♦ computers, computers, and, oh yes, more computers (1947, silicon chip)



BOARD RECEIVES NEW APPOINTEE

Edith R. Perez, Esq., has been appointed to serve as one of five Public Members on the New Motor Vehicle Board. The appointment, by the Honorable Antonio R. Villaraigosa, Speaker of the Assembly, was effective on December 13, 1999, and will expire on January 15, 2003. Ms. Perez, an attorney, is a partner in the law firm of Latham & Watkins, Los Angeles, where she specializes in the areas of real estate and finance law.

In addition to her duties at Latham & Watkins, Ms. Perez served as the President of the Board of Police Commissioners for Los Angeles from July 1997 to July 1999. While serving on the Police Commission, Ms. Perez was the Chair of several Task Forces, including those covering the Police Department's policies on the use of force, real estate/facilities, curfew, anti-retaliation/discrimination, language and budget matters.

Recently, the U.S. Secretary of Defense, William S. Cohen, appointed Ms. Perez to the Defense Advisory Committee on Women in the Military. She also serves on the Boards of the National Recreation Foundation, Loyola Marymount University's Center for the Study

of Los Angeles, the Hugh O'Brian Youth Foundation, and is a member of the EEO Advisory Council to Southern California Edison.

Formerly, Ms. Perez served on the Regents for Loyola Marymount University and the Boards of the Mexican American Legal Defense and Education Fund, National Conference of Christians and Jews, Recreation and Parks Commission for the City of Los Angeles, the Latino Museum of History, Art and Culture, and the American Red Cross.

Ms. Perez has been featured in numerous publications including, among others, "One of Two Top Achievers" in *Who's Who Women Lawyers in Los Angeles County*, *Los Angeles Business Journal*, February 9, 1998; "50 Who's Who in Law in Los Angeles County," *Los Angeles Business Journal*, February 10, 1997; and, "100 Most Influential Hispanics" in the U.S., *Hispanic Business Magazine*, October 10, 1996.

Born in Acambay, Mexico, Ms. Perez was raised in Marysville, California. She graduated *Phi Beta Kappa* from the University of California at Davis in 1976, with a B.A. in (double majors) Political Science and Spanish. She received her J.D. in 1980 from Boalt Hall School of Law at the University of California at Berkeley where she was Associate Editor of the *California Law Review*.

The Board and staff take great pleasure in welcoming this imminently qualified new member to her position on the Board.

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NMVB E-Mail: nmvp@pacbell.net



Mediation Statistics 1999/00 to date

Mediation Phone Calls Received 3,217

Complaint Forms Sent to Consumers 834

Cases Filed 256

Mr. Gourley graduated from the University of California at Los Angeles with a bachelor of arts degree, and received his J.D. from the University of California, Berkeley. Mr. Gourley was sworn in to office on January 10, 2000.

!!! REMINDER !!!

FPPC packages will be mailed in January, 2000.

**Due date for filing annual statement
April 1, 2000**

FPPC Website: www.fppc.ca.gov

DAVIS APPOINTS DMV DIRECTOR

On December 13, 1999, Governor Gray Davis appointed Steven Gourley as Director of the Department of Motor Vehicles.

A resident of Culver City, Mr. Gourley has practiced law since 1983, specializing in corporate securities and finance. In addition, Mr. Gourley served as a member of the Culver City Council, and as Mayor from 1988 to 1996. While on the City Council, Mr. Gourley was chairman of the Culver City Redevelopment Agency. From 1980 to 1983, Mr. Gourley was the Chief Deputy Commissioner for the California Department of Corporations.

Mr. Gourley is a member of the Los Angeles County Bar Association, the California State Bar Association, the State Bar Committee on Consumer Financial Services, the Los Angeles County Commission on Judicial Procedures, and the California Financial Services Association.

IN SITE

California
New Motor Vehicle Board
Newsletter

State of California
Gray Davis, Governor

*Business, Transportation
and Housing Agency*
Maria Contreras-Sweet, Secretary

Department of Motor Vehicles
Steven Gourley, Director

New Motor Vehicle Board
Robert T. (Tom) Flesh, Vice-President

Members
Frederick E. (Fritz) Hitchcock
Edith R. Perez
Manning J. Post
Joseph D. Putnam
Solon C. Soterias

1507 21st Street, Suite 330
Sacramento, California 95814
(916) 445-2080
e-mail: nmvb@pacbell.net

RULEMAKING

Effective January 7, 2000, the annual Board fees (13 CCR § 553) of \$300.00 paid by new motor vehicle dealers and \$.45 per vehicle sold, leased or otherwise distributed paid by the manufacturers or distributors have been reduced to \$00.00 for a period of one year. Once the regulation takes effect and the impact on the Board's surplus is ascertained, rulemaking will commence to reinstate the annual Board fee.

The Department of Motor Vehicles collects the annual fee paid by dealers. Statements for January 2000 reflected the fee reduction, and will continue through December 2000. On January 12, 2000, Board staff sent statements to manufacturers and distributors which reflected the fee reduction.

Board staff has drafted proposed rulemaking which will require an e-mail address, if available, on all documents filed with the Board (13 CCR § 595). Additionally, section 594 of Title 13 of the California Code of Regulations will be updated to reflect changes in technology and to conform with Rule 201 of the California Rules of Court.



Staff Counsel Mike Dingwell accepts the Board's Achievement Award from Sherry Hammonds, Director, State Employee's Campaign

BANNER YEAR FOR UCSEC

The 1999 United California State Employees Campaign ("UCSEC") appears slated to go down in history as the most successful campaign in recent years. Contributions made by state employees increased 13% over last year, resulting in over \$400,000 in new money contributions going to fund programs of local agencies which benefit from the campaign.

At the Board, we enjoyed the presentations by Guide Dogs for the Blind and Canine Companions for Independence, and learned more about the agencies which benefit from our support. Thanks to the outstanding efforts of Board employees, contributions increased this year an impressive 69.5%.

As a result, the New Motor Vehicle Board will be receiving a "Red Shoe" award (given to state agencies with a 20% increase in contributions over the previous year) and an "Achievement Award" for being one of only two state agencies with 100% employee participation. Thanks to all who participated in support of this worthy cause.

DOCKET

PROTESTS:

	New Cases	Cases Open	Unassigned
3060		15	
3062		6	
3064			
3065		1	
3065.1		1	1
Total Protest:	23		

PETITIONS:

3050	9
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Total Petitions: 9



REVENUE

NEW MOTOR VEHICLE DEALER License Fee:	\$295,483.00
NEW MOTOR VEHICLE BOARD Filing Fee:	10,000.00
NEW MOTOR VEHICLE BOARD Annual Fee:	-0-
NEW MOTOR VEHICLE BOARD Hearing Transcripts:	1,308.85
Arbitration Certification Program Reimbursement	2,920.45
Total	\$309,712.30
(month ending 11/30/99)	



BEEP, BEEP!!

According to statistics released by DMV's Forecasting/Management Information Systems Section, the number of motor vehicles registered and the number of California drivers licenses increased over last year 6.8 per cent and 1.2 per cent, respectively.

Now, 27,534,424 California registered vehicles prowl the roadways of our state. The total includes automobiles, motorcycles, trucks, and trailers.

Top counties in numbers of registrations are: Los Angeles, 6,133,216 vehicles registered; Orange County, 2,117,514 vehicles registered; and, San Diego County, 2,098,657 vehicles registered. The county with the least number of registrations is Alpine County with 1,713 vehicles registered.

In addition, the number of California drivers licenses increased to 20,735,500.

Los Angeles county topped this list as well with 5,409,400 drivers. Coming in next were Orange County, 1,854,000 drivers, and San Diego County, 1,802,900 drivers. Alpine County had the least number of drivers with 1,100.

UPCOMING

HEARINGS**

Clifford Motors vs. General Motors
(Motion)

P-369-96; February 10, 2000

Toyota vs. Leaf
(Merits)

P-424-99; August 18, 2000

SETTLEMENT CONFERENCES**

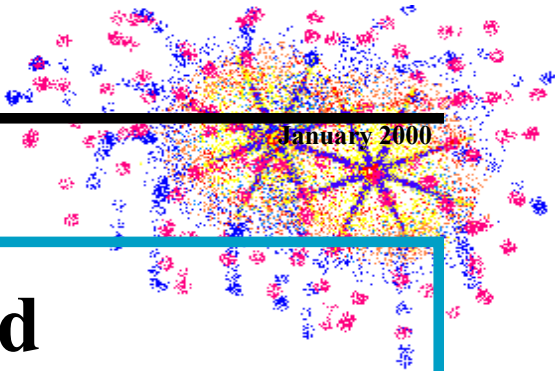
Sanders Motorsports vs. American Honda Motor Co., Inc.

PR-1699-99; January 25, 2000

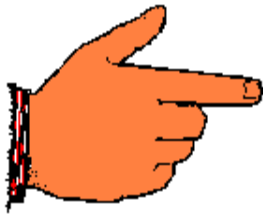
Tall Man, Inc. vs. Subaru

PR-1696-99; February 2, 2000

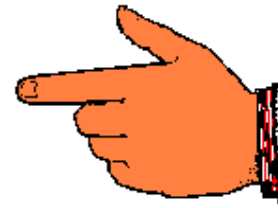
**Dates are subject to change



General Board Meeting February 15, 2000 10:00 a.m.



**New Motor Vehicle Board
Hearing Room 1
1507 21st Street, Suite 330
Sacramento, California**



NO APPEAL IN SMOG FEE RULING

At a news conference held on November 10, 1999, Governor Gray Davis announced that he will not appeal a ruling by the 3d District Court of Appeal that declared California's smog impact fee unconstitutional. Davis' decision means the owners of some 1.7 million vehicles should receive refunds of the \$300 fee, plus interest. Estimates of the total cost of the payout approach \$800 million, including legal fees.

The smog impact fee which went into effect in 1990, was defended by its supporters who argued that California has tougher emissions standards than other states and cars produced which comply with those standards are more expensive to operate. However, a Legislative Counsel Office opinion at the time warned

that imposition of the fee may violate interstate commerce protections of the U.S. Constitution.

Refund of the fees will require the passage of legislation. Assemblyman Tom McClintock, R-Simi Valley, has promised to introduce the bill when the legislature returns to work in January. Approximately 90,000 claims for refunds have already been filed with the DMV, the Bureau of Automotive Repair, and the State Board of Equalization.

**To be added to the public mailing list
or to receive a copy of the "Guide to
the New Motor Vehicle Board,"
please contact the Board's legal staff
or e-mail your request to
nmvb@pacbell.net.**



REPORT FROM ACSC/CSAA CONFERENCE

The 1999 Motor Vehicle Conference, sponsored by the Automobile Club of Southern California and the California State Automobile Association was held on December 2-3, 1999, in San Diego. The conference, which originated in 1913, is attended by representatives of organizations interested in all phases of the motor vehicle industry and the safe, orderly use of the streets and highways of California.

The first day of the conference included a panel discussion of "Transportation Infrastructure & Enforcement Issues" raised by the North American Free Trade Agreement, and a presentation by then Acting DMV Director, Ed Snyder. The featured speaker on the first afternoon of the conference was the Honorable Steve Peace, Member of the Senate, 40th District.

Events of the final day of the conference included a special presentation by Mehdi Morshed of the California High Speed Rail Authority.

Board Member Solon Soteras attended representing the New Motor Vehicle Board and, overall, had very favorable impressions of the organization of the conference and of the quality of the speakers and presentations. A letter of thanks for his attendance was received by Mr. Soteras from Bill Cather, Co-Chair of the conference.

COURT CASES

The Board does not participate in any action unless a state interest is implicated. The Board is participating in the following court cases marked by an asterisk(*):

Forty-Niner Sierra Resources, Inc. and Richard E. Wilmhurst vs. New Motor Vehicle Board; Department of Motor Vehicles, Real Party in Interest

Department of Motor Vehicles vs. New Motor Vehicle Board; Chrysler Motor Corporation, Real party in Interest

Marvin H. Leaf, individually and on behalf of others similarly situated vs. New Motor Vehicle Board; Toyota Motor Distributors, Inc., and Toyota Motor Sales U.S.A., Inc., Real Party in Interest

* Rolls-Royce Motor Cars Inc. vs. New Motor Vehicle Board; Robert Pond, Real Party in Interest

Saba A. Saba, SBD Partners, Inc., and Honda Kawasaki Sportcenter vs. New Motor Vehicle Board; Kawasaki Motor Corp., U.S.A., Real Party in Interest

* Rolls-Royce Motor Cars Inc. vs. New Motor Vehicle Board and Sam W. Jennings; Robert Pond, Real party in Interest

Frank E. Marley, Jr. vs. California New Motor Vehicle Board



NMVB BOARD MEMBERS DEPART

As most everyone who receives this newsletter is aware, the New Motor Vehicle Board's primary function is the resolution of disputes involving new motor vehicle dealers and manufacturers or distributors. The cornerstone of that enterprise are the dedicated Board members whose responsibilities routinely include plowing through seemingly endless stacks of briefs, analyses, stipulated decisions, proposed decisions and the like. These tasks are undertaken in preparation for the meetings, hearings and conferences which are necessary to accomplish the business of the Board.

Board members are appointed for limited terms and, unless reappointed, their service comes to an end and they return to the lives and livelihoods they enjoyed prior to serving on the New Motor Vehicle Board. With this edition, we take note that, due to term expirations, the Board Members pictured at right will be leaving their positions on the Board.

The Board would like to express great appreciation for their contributions to the Board, their dedication to the motor vehicle industry, and their service to the people of the State of California.



Daniel M. Livingston served on the Board from July 3, 1996 through December 13, 1999. Appointed as a Public Member by former Assembly Speaker Curt Pringle, Mr. Livingston served as Board President from 1997 through 1999, and was a member of the Board's Judicial Policies & Procedures Committee. Mr. Livingston is a partner in the law firm of Payne & Fears LLP, Irvine, where he specializes in business litigation.



Lucille A. Mazeika served on the Board from March 16, 1984, through January 15, 2000. Appointed as a Public Member by former Governor Pete Wilson, Mrs. Mazeika served as Board Vice-President in 1989, and from 1993 through 1995. In addition, Mrs. Mazeika was a member of the Board's Budget & Finance Committee. Mrs. Mazeika is former President of the Los Angeles chapter of the National Lithuanian Society of America, and past vice chair of the United Lithuanian Relief Fund.



Marie K. Brooks served on the Board from December 28, 1992, through January 15, 2000. Appointed as a Dealer Member by former Governor Pete Wilson, Mrs. Brooks was Board Vice-President in 1996. Mrs. Brooks is President and Dealer Principal of Ellis Brooks Chevrolet/Nissan/GEO, San Francisco.



Michael A. Padilla served on the Board from December 28, 1992, through January 15, 2000. Appointed as a Dealer Member by former Governor Pete Wilson, Mr. Padilla was a member of the Board's Education Committee. Mr. Padilla is President and Dealer Principal of Gateway Chevrolet, La Mirada.